

THIS AGREEMENT, made and entered into this 28th day of February, 1979, by and between ELIZABETH BOND STARKER, hereinafter called "Seller", and TALMO, INC., a Washington Corporation, hereinafter called "Purchaser",

WITNESSETH:

That for and in consideration of the mutual terms, covenants and conditions herein contained, it is understood and agreed as follows:

I

Seller agrees to sell and Purchaser agrees to buy the following described premises situate in Skamania County, Washington, to-wit:

The South Half (S 1/2) of Section 9; the West Half of the Northeast Quarter, the North Half of the Southeast Quarter, the South Half of the Northwest Quarter and Government Lots 1, 8 and 9, in Section 16, all in Township 2 North, Range 7 E.W.M.; EXCEPT the Strips of land acquired prior to 4/20/76 by deed and by condemnation by the United States of America for Bonneville Power Administration's electric power transmission lines and easements for access roads appurtenant thereto; ALSO EXCEPT the following described parcel:

That portion of Government Lots 8 and 9 of Section 16, Township 2 North, Range 7 E.W.M., more particularly described as follows:

Beginning at a point marking the intersection between the center of Greenleaf Creek and the south line of said Government Lot 9, said point being located on the north line of the B.B. Bishop D.L.C.; thence following the center of Greenleaf Creek in a northeasterly direction to a point in the said Government Lot 8 north 430 feet from the north line of the said Bishop D.L.C.; thence westerly parallel to, and 430 feet distant from, the north line of the said Bishop D.L.C. to intersection with the west line of the said Government Lot 9; thence south to the north line of said Bishop D.L.C.; thence easterly along the north line of



72.75

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Becky Spaulding, A.

said Bishop D.L.C. to the point of beginning; EXCEPT that portion thereof lying westerly of the natural gas pipeline constructed by Pacific Northwest Pipeline Corporation.

SUBJECT TO: The assessment roll and the tax disclose that the premises herein described were specially assessed as Timber land. If the land becomes disqualified for the special assessment under the statute, an additional tax may be levied for the last ten (10) or lesser number of years in which the land was subject to the special land use assessment.

ALSO SUBJECT TO: The lien of any Real Estate Excise Sales Tax upon any sale of said property, if unpaid.

ALSO SUBJECT TO: Rights of the Public in streets, roads and highways.

ALSO SUBJECT TO: Reservations of oil, gas, coal, ores, minerals and fossils under the terms of Deed recorded in Book F, page 509, Deed Records of Skamania County and as qualified by RCW 79.12.410, 79.36.010, 79.36.240.

ALSO SUBJECT TO: An easement for a right of way for a pipeline for the transportation of oil, gas and the products thereof granted to the Pacific Northwest Pipeline Corporation, a Delaware corporation, by two right of way contracts dated December 14, 1955 and recorded February 6, 1956 at page 104 and 111 of Book 41 of Deeds.

ALSO SUBJECT TO: An easement granted to the Northwestern Electric Company, a corporation, for an electric power transmission line.

ALSO SUBJECT TO: An easement created by instrument, including the terms and provisions thereof; Dated: January 3, 1977. Recorded: February 8, 1977, in Book 72, page 243, Deed Records in Favor of: Eldon D. Stroup and Mary I. Stroup. For: Road Easement.

ALSO SUBJECT TO: An easement created by instrument, including the terms and provisions thereof; Dated: January 3, 1977. Recorded: January 25, 1977, in Book 72, page 185, Deed Records in Favor of: State of Washington. For: Road Easement.

ALSO SUBJECT TO: Lease and permit to remove rock,

dated May 23, 1975 between Seller's predecessor in interest, as Lessor, and Kenneth W. Peterson, as Lessee, and as supplemented and amended on May 24, 1976 and in October, 1979, with a term extending to December 31, 1996 and all of the terms and provisions thereof.

at and for the agreed purchase price and sum of Eight Hundred Forty Thousand and no/100 Dollars (\$840,000.00).

II

PAYMENTS: Purchaser agrees to pay said sum of \$840,000.00 and interest in the following manner, to-wit:

Two Hundred Ten Thousand and no/100 Dollars (\$210,000.00) cash upon the execution of this agreement, the receipt of which is hereby acknowledged;

Six Thousand Dollars (\$6,000.00) or more on or before the 1st day of December, 1979;

Six Thousand Dollars (\$6,000.00) or more on or before the 1st day of each and every month thereafter until November 1, 1985, on which date all amounts owing hereunder, principal and interest, shall be paid in full.

The unpaid portion of the purchase price shall bear interest at the rate of nine percent (9%) per annum from the date hereof until paid, payable monthly. All payments as herein provided shall be applied first toward the interest due to date of such payment and the balance thereof to be applied toward the payment of the principal sum and interest shall thereupon cease upon the principal so credited.

All monthly payments to be made hereunder are to be

paid to the Seller at 7240 S.W. Philomath Blvd., P.O. Box 809, Corvallis, Oregon, 97330, until further written notice.

III

DELIVERY OF DEED: Contemporaneously with the payment in full of all sums due hereunder, Seller covenants and agrees to make, execute and deliver to the Purchaser a good and sufficient warranty deed to said premises, duly executed and acknowledged, in which the Purchaser shall be the grantee, warranting said premises to be free and clear of all liens and encumbrances except those set forth above, real property taxes subsequent to the 1979 real property taxes, and except such liens and encumbrances as may be placed or suffered to be placed against said premises by, through or under the Purchaser.

IV

TITLE INSURANCE: Seller covenants and agrees to immediately place an order for and deliver to the Purchaser a purchaser's policy of title insurance in the sum of \$840,300.00, executed by a title insurance company duly licensed to engage in the title insurance business in the State of Washington, showing in said Seller a marketable title to said real property above described, free and clear of all liens and encumbrances except those set forth above; the usual printed exceptions contained in such policies; and except such liens and encumbrances as may be placed or suffered to be placed against said premises by, through or under the Purchaser.

V

POSSESSION: The Purchaser shall be entitled to possession of said premises from and after the date hereof, and thereafter until default.

VI

The Purchaser covenants and agrees:

MAKE PAYMENTS: To make the payments as herein provided promptly as the same become due;

TAXES AND ASSESSMENTS: To pay all taxes and assessments which may hereafter be levied or assessed against said premises before the same become delinquent;

LIENS: Not to place or suffer to be placed upon or against said premises any liens or encumbrances;

MAINTENANCE: In a proper manner, to care for and maintain said premises and keep the buildings and improvements thereon in good repair;

WASTE: Not to suffer or permit any waste to be committed upon said premises;

NON-ASSIGNMENT: Not to assign or sell Purchaser's interest in this contract or the above described real property or any part thereof, without the written consent of the Seller first had and obtained thereto, which consent shall not be unreasonably withheld.

VII

It is understood and agreed between the parties hereto; that time is of the essence of this Agreement;

DEFAULT: Purchaser shall not be deemed in default for failure to perform any covenant or condition of this contract, other than the failure to make payments as provided for herein, until notice of said default has been given by Seller to Purchaser and Purchaser shall have failed to remedy said default within ten (10) days after the giving of the notice. If Purchaser be in default, Seller shall, at Seller's option, without notice or other declaration of default, have any one or a combination of the following rights:

A. To foreclose this contract by strict foreclosure in equity;

B. To declare the full unpaid balance of the purchase price, both the principal and interest, immediately due and payable;

C. To specifically enforce the terms of this Agreement by suit in equity;

D. To declare this Agreement null and void as of the date of the breach and to retain as liquidated damages the amount of the payment theretofore made upon said premises.

E. To pursue any other, different or additional remedy provided Seller at law or in equity;

MUTUAL ATTORNEY'S FEES: That in the event either of the parties hereto institutes suit or action to procure any remedy for any breach hereof, the party prevailing shall recover from the other such sums for attorney's fees in such suit or action, and on any appeal therefrom, as the Court

shall adjudge reasonable;

RIGHT OF INSPECTION: That the Seller has a right to go upon said premises at all reasonable times to inspect the condition thereof;

WAIVER PROVISION: That a waiver by the Seller of a breach of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant or condition hereof;

AFFIRMATION OF INSPECTION BY PURCHASER: Purchaser accepts the land, buildings, improvements and all other aspects of the property in their present condition, AS IS, including present defects, without any representations or warranties, expressed or implied, unless they are in writing signed by Seller. Purchaser has ascertained from sources other than Seller, the applicable zoning, building, housing and other regulatory ordinances and laws and that Purchaser accepts the property with full awareness of these ordinances and laws as they may affect the present use or any intended future use of the property, and Seller has made no representations with respect thereto. No agreement or promise to alter, repair or improve said premises have been made by the Seller or any agent of the Seller.

PRO-RATE: The 1979 real property taxes will be pro-rated as of the date hereof.

DEFERRED TAXES: It is understood that a portion of the

taxes for the previous years has been deferred by reason of farm use or forest classification of the property. It is anticipated that such use will continue, and it shall be the obligation of the purchaser to do all things necessary to retain such classification. In the event that such classification shall at any time be denied, for any reason, it shall be the purchaser's obligation to pay all deferred taxes which may become payable on account of such denial. Any such required payments shall be made promptly upon the determination of the amount due. The purchaser agrees that he shall make any necessary application for the continuancy of any deferral or preferred classification with the office of the Skamania County Assessor, within 15 days from the date of this agreement.

RELEASE: Seller further agrees to grant, upon demand, deed releases of tracts not less than 1 acre, at purchaser's option, for 125% of the amount then owing, on a pro-rata basis, excepting that no release shall be granted which will in any manner deny access to the remaining property. All payments for partial release deeds shall be in addition to the regular monthly payments described herein, and shall be credited to the principal balance of the contract.

SUBDIVISION: Should purchaser decide to plat, and or survey any portion of said property, Seller also agrees to sign any and all papers and documents necessary to accomplish same, provided that the cost of said subdividing shall be at the sole expense of the purchaser herein, and that it is

agreed that no liability for same shall accrue to the Seller.

VIII

This Agreement shall be binding upon the heirs, personal representatives, and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first hereinabove written.

TALMO, INC., a Washington corporation

Elizabeth Bond Starker
Elizabeth Bond Starker

"Seller"

By

James O. Tallman
President

By

Paul R. Mins
Secretary

"Purchaser"



I personally appeared before me the above named and identified Elizabeth Bond Starker, and acknowledged the foregoing instrument to be her voluntary act and deed.

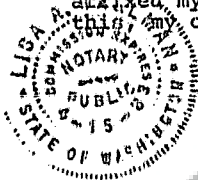
William E. 29, 1979.

Robert W. Helle
Notary Public for Oregon
My Commission expires: 1-24-81

STATE OF WASHINGTON)
) ss.
County of Pierce)

On this 24th day of October, 1979, before me appeared James C. Tallman and David R. Morris, both to me personally known, who being duly sworn, did say that he the said President, is the President, and he the said Secretary, is the Secretary of TALMO, INC., the within named Corporation, and that the seal affixed to said instrument is the corporate seal of said Corporation, and that the said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors, and said James C. Tallman and David R. Morris acknowledge said instrument to be the free act and deed of said Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, this the day and year first in this my certificate written.



Lisa A. Tallman
Notary Public for Washington
My Commission Expires: 12/15/83